STATEMENT OF

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PARALYZED VETERANS OF AMERICA

BEFORE THE HOUSE COMMITTEE ON VETERANS' AFFAIRS

CONCERNING

THE "ASSET INFRASTRUCTURE REVIEW ACT"

OCTOBER 12, 2017

Chairman Roe, Ranking Member Walz, and members of the Committee, on behalf of Paralyzed Veterans of America (PVA) I would like to thank you for the opportunity to testify on this critical subject. There is no doubt that the Department of Veterans Affairs (VA) capital infrastructure footprint needs assessment and realignment to properly meet the demand for health care across the system. As emphasized in *The Independent Budget* Policy Agenda for the 115th Congress released in January of this year, we believe that VA must make a concerted effort to right-size its infrastructure, in light of the amount of unused and underutilized capacity in the system. To that end, we appreciate the Committee conducting the recent round table to bring all stakeholders into the discussion about how to proceed with necessary infrastructure realignment.

It is important to note that the Commission on Care addressed the need for an asset review process in its final report released in 2016. In fact the Commission report explicitly stated:

> *Congress should enact legislation, based on DOD's BRAC model, to establish a VHA capital asset realignment process to more effectively align VHA facilities and improve veteran's access to care. Creating a robust capital asset realignment process is vital because previous capital divestiture efforts have failed. This process should offer a level of rigor far beyond what currently exists for repurposing and selling capital assets. It should require VHA to…conduct locally-based analyses of capital assets. Information generated would be used to assist an independent commission, established under the legislation, in making recommendations regarding realignment and capital asset needs. The independent commission would conduct a thorough, one-time process, to include making site visits and holding hearings to inform recommendations that would constitute a proposed national realignment plan…The commission would be empowered to implement the recommendations unless, within a specified timeframe, Congress disapproves the plan on an up or down vote.*

The draft bill presented today suggests that the Committee is interested in pursuing this recommendation as outlined in the Commission report. However, we cannot emphasize enough that we are not convinced that a Base Realignment and Closure (BRAC) modeled concept, as previously used by the Department of Defense (DOD) is the most effective way for VA to realign its capital footprint. This is the position we took on the Commission's recommendation last summer and our position has not significantly changed since then. That being said, PVA generally supports the intent of this proposal, assuming the intent is to right-size the VA and not simply use this opportunity to reduce the footprint of VA for the purpose of fulfilling a promise for greater community care access and cutting spending.

If the Committee feels the need to pursue a BRAC process, we believe it is imperative that you consider the recommendations offered by the participants in that round table last month as you proceed with consideration. Unfortunately, this draft bill does not include any changes to the original discussion draft that reflects the concerns raised by the Government Accountability Office (GAO), the Congressional Research Service (CRS), members of the Committee, and veterans' service organization (VSO) stakeholders who participated in that round table.

The fundamental flaw in this proposal is it ignores the most important recommendation/point made by the experts from GAO and CRS. Representatives from GAO specifically outlined the

deliberative process that must occur in order to execute an effective BRAC process. The steps in that process include:

1. Establishing clear goals that consider funding and alignment and that reflects the priorities of the Secretary.
2. Developing selection criteria for facilities.
3. Developing a method to effectively estimate costs and savings.
4. Establishing the organizational structure (the Department of Defense created BRAC teams).
5. Utilizing a common analytical framework.
6. Involving audit teams, to include the IG and GAO, to verify data accuracy and reliability.

The key recommendation supporting the entire process outlined above is that VA needs sufficient time to plan the process before executing it. GAO explained that DOD had fully three years before a BRAC Commission was empaneled to consider the infrastructure alignment of DOD. Meanwhile, this bill establishes a process whereby the VA will complete all of its preparatory work within one year from now and the Commission will then submit its final recommendations to Congress within six months following that date (by May 2019), effectively giving VA and the Commission only 18 months to outline the complete realignment of the infrastructure footprint of the Veterans Health Administration (VHA). The draft legislation essentially ignores what GAO identified as the most critical point to ensure success of this process—time. In fact, the most important step of this process as identified by GAO and CRS—establishing goals, setting selection criteria, and developing the cost methodology—has to be completed by March 1, 2018, per the provisions of this draft legislation. Based on the recommendations of GAO, a more reasonable assumption for completion of that phase would be no sooner than 2019, or as far out as 2020 if the DOD model is followed. This bill establishes a timeline that almost certainly will doom VA to failure in this process.

Moreover, this legislation appears to be putting the cart before the horse. We strongly believe that VA should have the opportunity develop and put into operation its integrated health care network before any decisions are made about what the footprint of VA should look like. It makes no sense for VA to make decisions about what its infrastructure alignment will be without first understanding what its capacity to deliver services currently is and how an integrated network must be designed to enhance that capability. Central to that effort is the completion of a thorough

market assessment before the network can be fully established and implemented. And yet, this bill presumes that VA will conduct a complete market assessment of the entire VA health care system by this time next year. The VA itself emphasized the near impossibility of that task during the recent round table. GAO and CRS similarly expressed concerns with that expectation. In fact, the VA only recently finished three pilot market assessments that took several months to complete. This bill requires modification to its overall timeline in order to accommodate more time for market assessment if the Committee wants to ensure there is a thorough and effective asset review process. If DOD was given three years to prepare, and the scope of the VA health care system is much larger than the footprint of DOD bases when its BRAC was conducted, the Committee must extend significantly the timeframe established in Section 403 of this proposed bill.

Additionally, the provisions of this legislation that require the market assessment are principally focused on how community care can be better leveraged to expand capacity rather than how the VA itself can build its own internal capacity. Those provisions only seem to affirm the notion that community care is the only viable option where lack of capacity exists. We respectfully disagree with this assertion.

We also have serious concerns that fitting a BRAC model to VA presumes that the nature of the VA health care system is not fundamentally different from the DOD base alignment that was considered during its own BRAC process. This proposal ignores the fact that the DOD BRAC addressed a static military population and simply consolidated and moved units to fit its planned infrastructure alignment. It was relatively easy, though not politically, to simply move military families to new locations to support the force realignment. This fact does not apply to the VA health care system and the population it serves. Decisions to close or downsize a VA medical facility will have a direct impact on the veteran population being actively served in that selected community. That was not a real issue with base, and by extension force, realignment in DOD. This is why the market assessments will be critical to this process.

We wonder what the impact of initiating a BRAC process will be on current major and minor construction activities at VA. When VA initiated its Capital Asset Realignment for Enhanced

Services (CARES) process nearly 15 years ago, the most devastating result of this process was the moratorium placed on virtually all construction for a two-year period while the process was conducted. Arguably, the VA's infrastructure is in the condition it is in now because no new resources were invested in the system during that time. Additionally, Congress has compounded that problem every year since that time by woefully underfunding the major and minor construction requirements of VA. Many facilities are now in serious decline simply because they were not upgraded or modernized, and because Congress continues to provide inadequate funding for VA's infrastructure needs, and now many of those facilities face the possibility of closure because of that neglect.

With the establishment of an Asset and Infrastructure Review Account we believe that Congress will simply ignore its responsibility to provide critically-needed funding for ongoing construction projects in an effort to wait for the outcome of the Commission. This is an unacceptable proposition for PVA. Major and minor construction should not be simply put on hold while this BRAC process plays out.

Reviewing the proposed legislation also begs one other important question: why is only VHA being considered in this process and not all of VA, to include facilities of the Veterans Benefits Administration (VBA) and the National Cemetery Administration (NCA)? The individual administrations within VA do not operate separately in their own vacuums. They are interconnected and mutually supporting, particularly with regards to VHA and VBA. Significant changes to the footprint of VHA could obviously have an impact on the other organizations. Moreover, if Congress is serious about doing a thorough asset review, then perhaps all parts of the VA should be included in that discussion.

We appreciate the fact that the Committee recognized the objections raised about the original version of this legislation presented earlier this summer that excluded veterans' service organization involvement in the Commission and has since added the requirement that at least three of the members of the Commission must come from congressionally-chartered VSOs. The perspective that VSOs can bring to this process is frontline experience with VA facilities. With that in mind, it is important that we emphasize that PVA is the only congressionally-chartered

VSO with a National Architecture program that is regularly involved in facility design and development at VA. We are the only organization that conducts thorough capacity assessments of the VA, in particular the spinal cord injury/disease (SCI/D) system of care, on an annual basis. We hope that our experience in dealing directly with VA in this capacity will be reflected when staffing for the Commission is considered.

With regards to perceived savings from a BRAC process, it is important to point out that GAO and CRS both confirmed that DOD did not achieve near the projected savings from closure and realignment of its facilities. Moreover, the savings that were generated were not realized until much later following the process. However, we cannot emphasize enough that any savings generated by the asset and infrastructure should be reinvested directly into VA, not sent back to the Treasury simply for deficit reduction. Savings from this process have the potential to generate sorely needed resources to strengthen the VA SCI/D system of care, and other specialized programs. Many existing SCI/D acute care facilities are generally fatigued and in some cases have been deemed unsafe by the VA's own facility condition assessment. In fact, the existing San Diego SCI/D center, one of the highest volume centers in the entire VA health care system, has been deemed unsafe. Design and construction projects have been identified to correct these essential infrastructure issues yet they remain unfunded.

In addition, the number of beds dedicated to SCI/D long term care on a national level is woefully inadequate. While this BRAC process will almost assuredly focus on areas that can be targeted for closure—a fact of the DOD BRAC process—serious consideration must be given as a part of the process to long term care capacity. While there are some in VA leadership who would like to get VA out of the business of long term care, this is not an acceptable proposition for PVA and our members. The aging SCI/D Veteran population will live longer than past generations and is overwhelming the VA system forcing veterans to live in institutional nursing facilities that are not designed to safely accommodate the special needs of SCI/D veterans. As an example, the VA has invested in the design of the new Dallas SCI/D long term care center which now needs construction funding to begin addressing this pressing need. We wonder what will become of projects such as this while this BRAC process is executed across the VA. Moreover, we do not want to see this process be used as a means to reduce VA's long term care responsibilities.

In the end, quality, accessible health care continues to be the focus for PVA and our partners in *The Independent Budget*. In order to achieve and sustain that goal, large capital investments must be made where appropriate. We hope that this will be one of the key outcomes of this asset review process.

Mr. Chairman, I would like to thank you again for the opportunity to testify. We look forward to working with this Committee, the VA and our partner stakeholders to ensure that the most thorough and effective process is carried out in order to best position the VA health care system for the future needs of veterans.

Information Required by Rule XI 2(g) of the House of Representatives

Pursuant to Rule XI 2(g) of the House of Representatives, the following information is provided regarding federal grants and contracts.

Fiscal Year 2017

Department of Veterans Affairs, Office of **National Veterans Sports Programs & Special Events** — Grant to support rehabilitation sports activities — $275,000.

Fiscal Year 2016

Department of Veterans Affairs, Office of **National Veterans Sports Programs & Special Events** — Grant to support rehabilitation sports activities — $200,000.

Fiscal Year 2015

Department of Veterans Affairs, Office of **National Veterans Sports Programs & Special Events** — Grant to support rehabilitation sports activities — $425,000.

Disclosure of Foreign Payments

Paralyzed Veterans of America is largely supported by donations from the general public. However, in some very rare cases we receive direct donations from foreign nationals. In addition, we receive funding from corporations and foundations which in some cases are U.S. subsidiaries of non-U.S. companies.

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Carl Blake is the Associate Executive Director for Government Relations for Paralyzed Veterans of America (PVA) at PVA's National Office in Washington, D.C. He is responsible for the planning, coordination, and implementation of PVA's National Legislative and Advocacy Program agendas with the United States Congress and federal departments and agencies. He develops and executes PVA's Washington agenda in areas of budget, appropriations, health care, and veterans' benefits issues, as well as disability civil rights. He also represents PVA to federal agencies including the Department of Veterans Affairs, Department of Defense, Department of Labor, Small Business Administration, the Department of Transportation, Department of Justice, and the Office of Personnel Management. He coordinates all activities with PVA's Association of Chapter Government Relations Directors as well with PVA's Executive Committee, Board of Directors, and senior leadership.

Carl was raised in Woodford, Virginia. He attended the United States Military Academy at West Point, New York. He received a Bachelor of Science Degree from the Military Academy in May 1998.

Upon graduation from the Military Academy, he was commissioned as a Second Lieutenant in the Infantry in the United States Army. He was assigned to the 2nd Battalion, 504th Parachute Infantry Regiment (1st Brigade) of the 82nd Airborne Division at Fort Bragg, North Carolina. He graduated from Infantry Officer Basic Course, U.S. Army Ranger School, U.S. Army Airborne School, and Air Assault School. His awards include the Army Commendation Medal, Expert Infantryman's Badge, and German Parachutist Badge. Carl retired from the military in October 2000 due to injuries suffered during a parachute training exercise.

Carl is a member of the Mid-Atlantic chapter of Paralyzed Veterans of America.

Carl lives in Fredericksburg, Virginia with his wife Venus, son Jonathan and daughter Brooke.